Talent Management: Trends, Challenges and Opportunities.

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Clarion Hotel, Liffey Valley.
Implementing Talent Management: Key Questions for Organisations

Strategic Imperative and Alignment:
- Is creating a robust talent pool for the future a priority of your organization strategically?
- What are the key elements of your organisation’s strategy and what implications do they have to your approach to talent management?
- Does the organisation utilize a position or a person approach to its talent management activities?

Defining Talent:
- Does your organisation consider all employees to be talent or just a particular group?
- Does your organisation differentiate its talent pool?
- What are the implications of a differentiated talent pool for employee morale, commitment and discretionary effort?
Implementing Talent Management: Key Questions for Organisations

- Is the development of high potential employees a priority for the organisation?

Systems for Talent Management:
- Does your organization currently have an ‘objective’ talent/succession management process?
- Does your organisation systematically evaluate the performance and potential of all its talent?
- When evaluating talent, does your organization look beyond the most obvious criteria? Interpersonal skills, ability to manage others, effectiveness in present job, experience.
- When a leader or key employee leaves your organization, is there a seamless process for replacing her/him in a timely manner?
Implementing Talent Management: Key Questions for Organisations

Accountability and Ownership Issues:

- In your organization who would employees say "owns" or is accountable for the talent management process?

- How is the role of the Human Resource/ Learning and Development function understood within the organisation?

- What role do individuals have for their own talent management and development?

- How effective is the organisation in terms of leveraging talent across organisational boundaries, business units and divisions?
What is Strategic Talent Management?

- A dynamic, on-going process of systematically identifying, assessing, and developing talent for future critical roles to ensure continuity and effective organizational performance. (Garavan, 2012)

- Activities & processes that involve the systematic identification of key positions which differentially contribute to the organisation’s sustainable competitive advantage, the development of a talent pool of high potential & high performing incumbents to fill these roles, & the development of a differentiated HR architecture to facilitate filling these positions with competent incumbents & to ensure their continued commitment to the organisation (Collings and Mellahi, 2009)
Why is Talent Management Important?

- Increased Competition
- Need to address future leadership
- Recruitment, Retention and Engagement Issues
- Skill Shortages
- Changing Demographics and External Labour Market
- Need to map the talents of the existing workforce
- Human Capital Utilisation Issues
Making Decisions about Talent Management
Where are you/Where do you want to be?

- Isolated activities
- Owned by the business
- Developing leaders
- Exclusive
- For the young
- Transparent
- For the individual
- Self-managed careers
- Self-selection
- A fast-track
- Retaining people
- People

- Talent architecture
- Owned by HR
- Developing Capacity
- Inclusive
- For an Ageing Workforce
- Secretive
- For the Organisation
- Organisation managed
- Manager/HR Nominated
- A Slow Pipeline
- Retaining Knowledge
- Positions
The Talent Management Process: Linked to Business Strategy

### Business Strategy
- Clarify Future Talent Needs
- Access Current Talent
- Identify Critical Roles
- High Potential Criteria
- In-Depth Behavioural Assessment
- Structured Interviews
- Simulations

### Clarify Future Talent Needs
- 360-Degree Tools
- Personality/Ability Tests

### Access Current Talent
- Vision
- Org. Strategy
- Org. Development
- Competency Development
- Job Analysis

### Talent Strategy
- Select Talent
- Mobilize Talent
- Develop Capability

### Select Talent
- Pre-Employment Testing
- Selection Assessments
- Staffing Needs Audit
- High Potential Selection
- Hourly to Executive Levels

### Mobilize Talent
- Retention & Succession
- Performance Management
- New Position Assimilation

### Develop Capability
- Leadership Coaching
- Leadership Development
- Team Development
- Career Development
- Organizational Resilience

### Business Results
- High Potential Selection
- Talent Strategy
- Leadership Coaching
Current Trends in Talent Management

- Major Recruitment difficulties and skills shortages
  - Lack of specialist/technical skills = top reason for recruitment difficulties
  - Step increase in difficulties recruiting for senior mgrs/directors
  - 7 in 10 report a rise in number of unsuitable applicants

- Talent management budgets under less pressure than resourcing budgets
  - Complaints that talent management has taken over from operational managing people issues
  - The emergence of centres of excellence around talent management
  - Talent management has shown significant resilience during the economic downturn
Current Trends in Talent Management

- The mix of Talent Management activities is changing:
  - Developing talent in-house
  - Recruitment for key/niche talent roles
  - Retention rather than recruitment
  - Investing in the quality of candidates
  - Use of new media and technology to recruit
  - Greater use of more objective talent identification processes
  - Increased use of high potential programmes
  - Greater focus on exclusive approaches, even though organisation may say it has an inclusive policy.
  - Greater use of international assignments to develop leadership talent
  - More focus on intercultural and cross-cultural talent management issues
Current Trends in Talent Management

• Greater focus on the diversity of talent:
  • Diversity strategies used as a talent attractor
  • A realisation that diversity of talent may enhance innovation and creativity
  • Talent diversity is increasingly linked to customer retention and broader customer profiles
  • Talent and diversity are increasingly viewed as the same thing
  • Talent management linked to issues of CSR and sustainability
Defining Talent and Potential

Different organisations can have different definitions of talent:

- “A transnational organisation may define talent as the top 1% of executives.
- Another organisation could define talent as the top 10% of high performers, whatever their role or level.
- Yet others may have a mix, defining talent not only as executives with potential for board-level appointments, but also high-potential individuals who are identified as leaders of tomorrow.
- Others may be taking an end-to-end view of newly appointed graduates to top leadership.
- Finally some might take the view that every employee should be included in talent management activities.”

CIPD Talent Management Tool (2009)
But ‘talent’ for what?
Differentiating Talent Pools

From the outset, the business needs to be clear about what it means by ‘talent’

Future Business Leaders?
Expected to assume the very top leadership positions in the business within a defined timeframe

High Flyers or Fast Trackers?
Expected to achieve significant seniority within an accelerated timeframe (often graduates)

Transferable?
Can switch function/ specialism and manage a completely different business area

Promotable?
Potential to move to the next level in the near future

Inclusive Approach?
Everybody has talent, don’t they?

AND – ‘talent’ must be defined in the organisation’s business context
Performance Vs Potential Dilemma

Current Performance

<table>
<thead>
<tr>
<th>Future Potential</th>
<th>Current Performance</th>
<th>Potential</th>
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<tbody>
<tr>
<td>Low</td>
<td>Low</td>
<td>UNTAPPED POTENTIAL</td>
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<tr>
<td></td>
<td></td>
<td>Shows potential, but not performing as required in current role</td>
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<tr>
<td></td>
<td></td>
<td>• Insufficient challenge?</td>
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<tr>
<td></td>
<td></td>
<td>• Skill or knowledge gaps?</td>
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<tr>
<td></td>
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<td>• Personal difficulties?</td>
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<tr>
<td></td>
<td></td>
<td>• Needs coaching and support to realise full potential</td>
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<tr>
<td>High</td>
<td>High</td>
<td>CLASSIC ‘HIGH POTENTIAL’</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Could either follow accelerated development route or focus on current role/ priorities</td>
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<tr>
<td></td>
<td></td>
<td>Choice depends on motives &amp; values fit – coaching &amp; career management is key</td>
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<tr>
<td></td>
<td></td>
<td>Stretch assignments &amp; brand development</td>
</tr>
<tr>
<td>Low</td>
<td>Low</td>
<td>UNDER PERFORMER</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Limited potential for development and problems with current performance</td>
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<tr>
<td></td>
<td></td>
<td>• Address performance issues</td>
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<td></td>
<td></td>
<td>• Consider consequences of retaining in the business</td>
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<tr>
<td></td>
<td></td>
<td>• May ultimately leave the organisation due to continued under-performance</td>
</tr>
<tr>
<td>High</td>
<td>Low</td>
<td>KEY PERFORMER</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Highly competent in present/historical role, but less suited for significant further development (at the current time)</td>
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<tr>
<td></td>
<td></td>
<td>• Reassure of value to business</td>
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<td></td>
<td></td>
<td>• Support in current role</td>
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<tr>
<td></td>
<td></td>
<td>• Leave door open to re-consider when the time is right</td>
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</tbody>
</table>
The Xpotential™ Model

Focus of Typical ‘Potential’ Assessment

Low

Commercial Context

Capacity to Predict Potential

High

Core Agilities
- Emotional Learning
- Strategic

Enablers & Blockers
- Motives & Values
- Possible Derailers

Necessary but not Sufficient
- Current Performance & Track Record
- Conventionally Assessed ‘IQ’

High

Low
Levels of Potential

Higher level roles require higher level modes of:

- Emotional agility
- Learning agility
- Strategic agility

‘Pure’ Strategic

Parallel

Integrated

Sequential

Tactical

Stars or HiPos Successfully Handle:

- Complexity
- Concepts
- The Long-term Ambiguity
Characteristics of High Potentials

- Has the respect and trust of peers, supervisors and subordinates
- Maintains a high level of competence in their role/job
- Has a bias for action and is a proactive catalyst for change
- Thinks and solves problems creatively and from apposition of inquiry (versus advocacy)
- Is open to constructive criticism
- Uses critical judgement
- Has a broad understanding of the organisation’s business and their role in achieving its goals
- Has high capacity to learn
Characteristics of High Potentials

• Consistently produces measurable results above expectations
• Self manages in a manner that fosters learning and high performance
• Ensures that team goals are achieved within ethical and cultural guidelines
• Manages and leads teams that demonstrate a sense of loyalty and community
• Strives to deliver and exceed customers’ needs
• Arranges and leverages resources within an organisation
• Has high resilience
People Vs Positions Dilemma

**Time**

**People**

1. **Current People Characteristics**
   - A. Cognitive Ability: Cope with complexity, ambiguity, reasoning, strategic thinking, problem solving
   - B. Strengths: characteristics of people that allow them to perform well
   - C. Personality Traits: Maturity, stability, independence, dominance, sociability

2. **Future People Characteristics**
   - A. Learning Agility: Capacity to learn to be open to experience, to be flexible, adaptable, change and evolve
   - B. Motivational Drives: Goal orientation, drive, energy, proactivity, risk taking and career drive
   - C. Leadership Capability: Capability to grow as a leader, self-identity as a leader, potential to manage others

**Positions**

1. **Current Position Characteristics**
   - A. Performance / Results Criteria: Position performance criteria (task and contextual) that organisations use to differentiate average from high performance
   - B. Position Competencies: Knowledge task and technical competencies attached to a position that can be used to differentiate talent

2. **Future Position Characteristics**
   - A. Strategic Positions: Key position in organisations that disproportionally contribute to strategic success
   - B. Strategic Talent Pools: Groups of positions that contribute to strategic success in the future
   - C. Accelerated Development: Sequences of developmental activities, job placements, exposures and experiences that help to identify and test high potentials
## Talent Management Stakeholders

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<thead>
<tr>
<th>Stakeholder</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEO / Senior Management</td>
<td>• Develop Talent Management strategy&lt;br&gt;• Ensure alignment with business strategy&lt;br&gt;• Communicates priorities of talent management&lt;br&gt;• Provide support to other stakeholders&lt;br&gt;• Select appropriate talent pools&lt;br&gt;• Contribute to talent management panels&lt;br&gt;• Direct involvement with top talent pools, e.g. as executive coaches</td>
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## Talent Management Stakeholders

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</table>
| HR and talent management specialists            | • Advises on best approaches  
• Ensure alignment with other HR activities  
• Provides effective governance of talent management process  
• Selects appropriate talent management interventions  
• Develops talent analytics  
• Works with other stakeholders to ensure consistent implementation  
• Ensures that talent management is high on the HR agenda |
<table>
<thead>
<tr>
<th>Stakeholder</th>
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</thead>
<tbody>
<tr>
<td>Employees</td>
<td>• Accepts responsibility for developing own talent</td>
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<tr>
<td></td>
<td>• Demonstrates proactivity and self-management behaviours</td>
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<td></td>
<td>• Demonstrates willingness to capitalise on learning opportunities</td>
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<tr>
<td></td>
<td>• Utilises work roles as development opportunities</td>
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<tr>
<td></td>
<td>• Adopts a planned approach to development</td>
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</table>
Bridging the HR – Line Management Gap

- Clear understanding of each other’s roles and purpose
- Pragmatic not prescriptive frameworks and processes
- Adapting the values and key competencies to meet specific or evolving business needs
- Joint involvement in evaluation and feedback processes
- Managing the pipeline of talent & succession cover
- Shared ownership & responsibility for growing and nurturing future leaders
What are the Dimensions of Effective Talent Management

- Agreed, organisation-wide definition of talent and talent management
- A language for talent management that is understood by all parties in the employment relationship
- A proactive, strategic approach to talent management
- Support that flows from the top of the organisation
- Engaging line managers from an early stage
- Everyone must understand and align with the business strategy
- Requires a clear, flexible structure that:
  - Supports development at every level
  - Is consistently applied across the business
What are the Dimensions of Effective Talent Management

- Having clear frameworks to:
  - Objectively evaluate performance
  - Review skills gap
  - Identify development opportunities
- Regular reviews to identify the Rising Stars or High Potentials
- Having a pipeline of bright, knowledgeable people who:
  - Have been developed from within the business
  - Are recruited for their industry skills and experience
  - Bring skills and experience from other industries
- Identifies the skills and capabilities that we anticipate will support future business needs
What are the Dimensions of Effective Talent Management

- Is actively supported throughout the business from the CEO/HR Director/Board Members downwards
- Talent management can be used to enhance an organisation’s image and support employer branding
- Talent management activities should be developed with other HR policies and practice
- Should be a blend of formal and informal methods
- HR specialists should be involved
Future Trends in Talent Management

- Talent Clusters and Networks
  - Talent attracts talent
  - Opportunities to tap into networks and share learning
  - Multi-disciplinary teams in larger organisations
  - Increased focus on teams of talent rather than individual talent

- Talent Partnerships
  - Developing relationships with strategic partners to acquire talent
  - Do your talent definitions extend beyond the traditional boundaries of your organisation?
  - What about the wealth of talent in your supply chains and partner organisations?
Future Trends in Talent Management

- **Tackling the New Global Talent Realities**
  - Understand shifts in global marketplace and impact on your organisation and supply of talent
  - Managing global Vs local issues in talent management implementation
  - Need to get global consistency and local relevance right
  - Challenge of developing leaders with a global mindset

- **Talent and Changing Societal Values**
  - How are individual values changing? What are the generational changes that are taking place?
  - Have you clearly articulated the obligations and expectations of the deal within your organisation?
  - How are you responding to increasing demands for meaning, corporate social responsibility, sustainability, ethics self-expression and fulfilment?
Future Trends in Talent Management

• Developing Talent Analytics
  • What are the most appropriate talent analytics for your business?
  • Ask the questions that are important to the business
  • Uncover a clear line of sight between people and profits, services and customer satisfaction.
  • How can you generate business savvy and real insight from your talent data?

• Talent Sustainability
  • Changing paradigms around the purposes of talent management
  • Strategies that support sustainability/ long-term performance
  • HR’s role in challenging inappropriate/ high risk behaviour
  • Championing diversity and inclusion in our Boardrooms and in the wider organisation
Questions?